

H.R. 1680, “The Secure Handling of Ammonium Nitrate Act of 2007”

Section 1. Short Title

Section 2. Inserts Subtitle J—Secure Handling of Ammonium Nitrate into Title VIII of the Homeland Security Act.

Sec. 899A. Definitions.

Section defines “ammonium nitrate,” “ammonium nitrate facility,” and “ammonium nitrate purchaser.”

Sec. 899B. Regulation of Handling and Purchase of Ammonium Nitrate.

- (a) **In General.** Requires the Secretary of Homeland Security to regulate the purchase and sale of ammonium nitrate.
- (b) **Ammonium Nitrate Mixtures.** Requires the Secretary to establish a threshold percentage of ammonium nitrate in a substance for purposes of the regulations through rulemaking.
- (c) **Registration of Owners of Ammonium Nitrate Facilities.** Requires the Secretary to establish a process to issue registration numbers to owners of ammonium nitrate facilities. The registration information to be collected shall include: (1) the name, address, and telephone number of each facility owned by that registrant; (2) as the name and contact information of the person designated as the point of contact by the owner of the facility; (3) the amount of ammonium nitrate that is sold or transferred each year at each facility; and (4) any other information that the Secretary deems appropriate.
- (d) **Registration of Ammonium Nitrate Purchasers.** Requires the Secretary to establish a process to issue registration numbers to ammonium nitrate purchasers. The registration information to be collected shall include the name, address, and telephone number of the registrant.
- (e) **Records.** Requires the Secretary to require each owner of an ammonium nitrate facility to maintain records of sales or transfers of ammonium nitrate for up to three years that include the name, address and telephone number of each person taking ownership of ammonium nitrate on their own behalf or as the agent of another and the date and quantity of the ammonium nitrate sold or transferred. The owner of the facility is also required to verify the identity of the ammonium nitrate purchaser or the purchaser’s agent, in accordance with procedures established by the Secretary.

- (f) **Exemption for Explosive Purposes.** Allows the Secretary to exempt owners of ammonium nitrate facilities and ammonium nitrate purchasers from the registration requirement if they are regulated by the Department of Justice for use of ammonium nitrate for explosive purposes.
- (g) **Consultation.** Requires the Secretary to consult with the Secretary of Agriculture, States and the appropriate private sector entities to ensure that those who need to access ammonium nitrate are not unduly burdened.
- (h) **Data Confidentiality.** Generally prohibits the disclosure of registration information however, allows disclosure to an officer or individual with a need to know to perform the duties of the officer or individual.

Sec. 899C. Inspection and Auditing of Records.

Requires the Secretary to establish a process for periodic inspection and auditing of records of the sales and transfers of ammonium nitrate.

Sec. 899D. Administrative Provisions.

- (a) **Cooperative Agreements.** Provides discretion to the Secretary to enter into a cooperative agreement with the Secretary of Agriculture or the head of a State department of agriculture, in consultation with the State agency responsible for homeland security. In turn, the Secretary is directed to cooperate with the State agencies or their designees, wherever possible, in enforcing this law.
- (b) **Delegation.** Allows the Secretary to delegate authority to the State to assist in the administration and enforcement of this law. Requires the Secretary to delegate this authority to a State where the Governor requests that it be delegated and the Secretary determines that the State is capable of satisfactorily carrying out administration and enforcement. Subject to the availability of appropriations, the Secretary shall provide sufficient funds to each State that accepts the delegation of these functions.
- (c) **Provision of Guidance and Notification Materials to Ammonium Nitrate Facilities.** Requires the Secretary to make guidance available to each owner of an ammonium nitrate facility that covers how to identify suspicious or attempted suspicious purchases and what steps to take to in such cases, including the exercise of the right to decline a sale. To the extent practicable, the Secretary shall leverage any relevant materials and programs to disseminate this guidance. Requires the Secretary to make materials available for display at sales outlets that inform prospective purchasers about the recordkeeping requirement and the penalties for violations.

Sec. 899E. Theft Reporting Requirement.

Requires owners of ammonium nitrate facilities and their staff to report all thefts and unexplained losses of ammonium nitrate to the appropriate Federal law enforcement authorities within a calendar date.

Sec. 899F. Prohibitions and Penalty.

- (a) **Prohibitions.** Prohibits the purchase, sale or transfer of ammonium nitrate without registration.
- (b) **In General.** Violators may be assessed a civil penalty of up to \$50,000 per violation.
- (c) **Penalty Considerations.** In determining the amount of the civil penalty, the Secretary must consider the nature and circumstances of the violation, including history of prior violations.
- (d) **Notice and Opportunity for a Hearing.** Prohibits the assessment of a civil penalty unless the person charged with the violation has been given notice and an opportunity for a hearing in the community where he lives.

Sec. 899G. Preemption of Other Laws.

- (a) **Other Federal Regulations.** The regulations required under this law will not affect any other regulations issued by any other agency of the Federal government.
- (b) **State Laws.** The regulations required under this law preempt State laws that are inconsistent except where the State law provides additional protections against the acquisition of ammonium nitrate by terrorists.

Sec. 899H. Deadlines for Regulations.

Requires the Secretary to issue proposed regulations within six months after the date of enactment and issue a final rule within one year of the date of enactment.

Sec. 899I. Authorization of Appropriations.

Authorizes the use of funds necessary to carry out this subsection for the years 2007 through 2011.